

february sales insights

february sales continue expected sales decline

key insights

february typifies new market norm

February sales fell by 2.4% from a year ago, an anticipated drop as the market cools from record sales levels posted the last few years. Encouragingly, sales for the month exceeded analysts' expectations, starting the year with back-to-back SAARs above 17M.

Inventories in February better reflect shoppers' tastes with more light trucks and fewer cars, and automakers have mostly cleaned up the bloated and outgoing model-year inventory that plagued the industry for much of 2017.

New-vehicle APRs hit 8-year high

February new-vehicle APRs were 5.2 percent, up from 4.9 percent a year ago and reaching the highest levels in eight years. Interestingly, low promotional APRs remain intact, and there has not been an increase in subprime lending pulling the average up with the highest APRs. Rather, it is the middle APRs that are affected by the increasing Federal Reserve rates that have seen dramatic increases. Historically low APRs have been a staple of the post-recession auto market so this is a trend to watch closely.

leasing hits all-time high

With rising finance APRs, leasing took center stage in February accounting for 33.5% of sales, an all-time high. With average new-vehicle transaction prices topping \$35,000 and the access to cheap credit dissolving, more payment-focused shoppers have pursued leasing as an avenue toward new-car ownership.

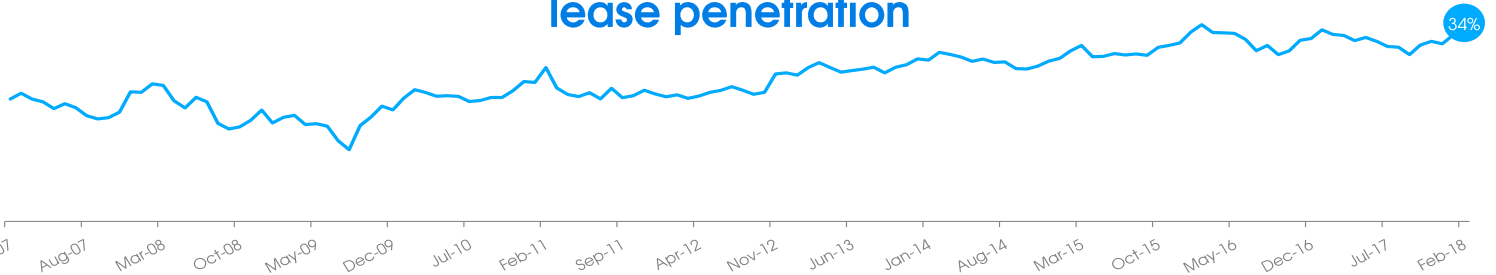


Best-selling car
Camry: 30,865 units

Best-selling truck
F-Series: 63,411 units



lease penetration



New-vehicle sales **1,296,828**

SAAR (seasonally adjusted annual rate) **17.0M**

 **220,905** -7% YOY
Market Share: **17.0%**

 **193,362** -7% YOY
Market Share: **14.9%**

 **182,195** +5% YOY
Market Share: **14.0%**

 **165,903** -1% YOY
Market Share: **12.8%**

 **129,930** -4% YOY
Market Share: **10.0%**

 **115,557** -5% YOY
Market Share: **8.9%**

 **86,767** -9% YOY
Market Share: **6.7%**